

EXHIBIT F

HENN LESPERANCE POLICIES AND PROCEDURES MANUAL
II. OVERTIME

Overtime is any time worked over and above the regular 40-hour workweek (Saturday through Friday). Henn Lesperance strives to ensure that employees are generally able to complete their work tasks within the work week. Periodically, an employee may be required to work over 40 hours in a work week. Any time scheduled over 40 hours must be pre-authorized by the supervisor.

It is not considered overtime if an employee works over 8 hours in one day. However, the total hours worked should not exceed 40 hours for that week (Saturday through Friday). If this should happen, the employee should work less hours at some other point within the same workweek so that the total hours worked do not exceed 40 hours for that week. Office Manager must approve any such alternative schedule in advance.

Each work week (Saturday through Friday) is considered separately in computing overtime and all other pay.

Please note that paid hours not actually worked (e.g., vacations, holidays, sick/personal days, firm holiday parties etc.) will not be counted when determining if an employee exceeds 40 hours worked in a single workweek. For example, if a full-time employee worked 40 hours during the week of Thanksgiving in addition to the 8 hours paid for the Thanksgiving holiday, the total hours paid would be 48 at regular time rather than 40 regular time plus time-and-a-half for the 8-hour paid Thanksgiving holiday. Non-working time will not be counted as hours worked for overtime calculations. Non-working time might include holidays, sick/personal days, vacation leave, bereavement leave, etc. or any time when employees are paid for time not worked.

Exempt and Non-Exempt Employees

1. Hourly employees are non-exempt and are not allowed to work more than 40 hours each work week without prior approval.
2. Employees who meet the criteria outlined in Section 13(a)(1) of the Fair Labor Standards Act as defined by Regulations, 29 CFR Part 541 are considered Exempt employees.¹
3. Exempt employees are exempt from both minimum wage and overtime pay.
4. Exempt employees are generally expected to devote the number of hours necessary to complete their respective tasks, regardless of whether that requires 35 hours per week or 55 hours per week. Their compensation doesn't change based on actual hours expended.
5. Administrative staff and legal assistants are considered exempt under the administrative employee exemption and therefore are not eligible for overtime pay.²
6. Attorneys are considered exempt under the learned professional exemption to the FLSA act.

¹ Section 13(a)(1) of the FLSA provides an exemption from both minimum wage and overtime pay for employees employed as bona fide executive, administrative, professional and outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees. To qualify for exemption, employees generally must meet certain tests regarding their job duties and be paid on a salary basis at not less than \$455 per week. Job titles do not determine exempt status. In order for an exemption to apply, an employee's **specific job duties and salary** must meet all the requirements of the Department's regulations.

² To qualify for the **administrative employee exemption**, all of the following tests must be met: The employee must be compensated on a salary or fee basis (as defined in the regulations) at a rate **not less than \$455.00 per week**; The employee's primary duty must be the performance of office or **non-manual work** directly related to the management or **general business operations** of the employer or the employer's customers; and the employee's primary duty includes the **exercise of discretion and independent judgment with respect to matters of significance**.

I. PAID TIME OFF AND SICK LEAVE

3 weeks (15 days) Paid Time Off is available to staff as a fringe benefit. 1 day is referred to as 8 hours. Paid Time Off does not transfer to the following year and is not paid out at the end of the year if any portion remains unused. Planned vacation requests should be communicated to the Office Manager as soon as possible in advance as well as submitted through the Paychex online portal, and are subject to approval.

Paid Time Off (PTO) Exceptions

- Employees who miss more than three consecutive unscheduled days may be required to present a doctor's note to the Office Manager before returning to work.
- Unexcused absences in excess of the PTO accrued may result in progressive disciplinary action up to and including employment termination. This time off will be unpaid.
- PTO accrued prior to the start of a requested and approved unpaid leave of absence must be used to cover hours missed before the start of the unpaid leave.
- Under the company's Family and Medical Leave Act (FMLA) policy, all accrued PTO time is taken before the start of the unpaid FMLA time.
- Unscheduled absences, due to illnesses of four hours or more, that result in consecutive days absent from work, are considered one absence incident in relation to potential disciplinary action.

Progressive Disciplinary Action Relative to Incidents of Absenteeism is Administered on a Rolling 12-month Calendar as Follows:

- One - three incidents: No disciplinary action. Supervisory coaching.
- Fourth incident: Verbal warning with a documented coaching session
- Fifth incident: Written warning in the employee's file
- Sixth incident: Employment termination

An employee who receives a second written warning in a rolling 24-month time period will have his or her employment terminated.

- An employee who has used all of his or her FMLA and Short-Term Disability benefits, and is still unable to return to work, will have his or her employment terminated.
- Any employee who misses two consecutive days of work without notice to their supervisor may be considered to have voluntarily quit their job.